

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 7249**

**BILL NUMBER:** SB 356

**NOTE PREPARED:** Jan 5, 2013

**BILL AMENDED:**

**SUBJECT:** Purple Heart License Plate and Parking Fees.

**FIRST AUTHOR:** Sen. Delph

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:** X GENERAL  
X DEDICATED  
FEDERAL

**IMPACT:** State & Local

**Summary of Legislation:** This bill authorizes parking in a metered parking space by an owner of a motor vehicle with Purple Heart license plates without a fee for parking or a penalty for overtime parking.

**Effective Date:** July 1, 2013.

**Explanation of State Expenditures:**

**Explanation of State Revenues:** *Summary:* This bill could create an incentive for any Purple Heart recipient who currently maintains another license plate to request a Purple Heart license plate to avoid paying parking fees and fines. The potential fiscal impact would depend on whether the BMV collects administrative fees for the license plate an individual replaces with a Purple Heart license plate.

**Additional Information:**

According to the BMV, there were approximately 6,100 Purple Heart license plates issued or renewed in FY 2012.

Because there are no administrative fees collected for the issuance of the Purple Heart license plate and other armed services branch-specific license plates, any shift in demand between an armed services branch-specific license plate and a Purple Heart license plate is expected to have no fiscal impact. However, to the extent a Purple Heart recipient currently holds another special group license plate where administrative fees are

collected by the BMV and the individual switches to a Purple Heart plate, state revenue could decrease. The potential decrease in state revenue is indeterminable, but is expected to be small.

Currently, the BMV charges \$40 in administrative fees per specialty group license plate. Of the \$40, \$25 is forwarded to a trust fund for the special group and the remaining \$15 is withheld by the BMV. Of the \$15 portion withheld by the BMV, \$5 is used for purposes of administering the special group license plate program, \$9 is deposited in the State License Branch Fund, and \$1 is deposited in the Crossroads 2000 Fund.

**Explanation of Local Expenditures:** This bill is not expected to have a substantial impact on the workload of local governments with regards to parking enforcement. For more information, see *Explanation of Local Revenues*, below.

**Explanation of Local Revenues:** Currently individuals who possess a Disabled Hoosier Veteran or Prisoner of War license plate are exempt from paying parking fees and fines (IC 9-18-17-4 and IC 9-18-18-2). By expanding the same privilege to individuals who possess a Purple Heart license plate, more individuals would become exempt from parking fees and fines. As a result, local governments could lose additional parking revenue. The potential decrease in local revenue is indeterminable.

The bill also could reduce the net revenue received by the city of Indianapolis under its parking meter concession agreement if the city must reimburse the concessionaire for waived parking fees and fines for people who hold a Purple Heart license plate. The city of Indianapolis indicates that the impact is expected to be minimal.

**State Agencies Affected:** BMV.

**Local Agencies Affected:** All.

**Information Sources:** Mark Goodrich, BMV; City of Indianapolis.

**Fiscal Analyst:** Bill Brumbach, 232-9559.